



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

MEMORANDUM FOR: Hal Hicks
Associate Chief Counsel (International)

FROM: Matthew W. Frank, APA Program Director

DATE: March 8, 2005

SUBJECT: APA Quarterly Report for FY 2005,
First Quarter Ending 12/31/04

The following are the APA Program's results for the first quarter of FY 2005 ("Q1").

APAs Completed

The APA Program completed 18 APA matters in Q1, consisting of 6 bilateral APAs and 12 unilateral APAs, including 1 unilateral amendment.

Negotiating-Position Papers

The APA Program completed 9 bilateral negotiating position papers in Q1.

Annual Reports

The APA Program completed its review of and closed 19 annual reports in Q1.

New Matters

The APA Program received 13 new APA matters in Q1, including 7 bilateral and 6 unilateral APAs. There were 3 bilateral withdrawals during Q1.

APA Inventory

The APA Program has an ending inventory of 226 open matters.¹ This consists of 163 bilateral and 63 unilateral matters.²

Attached for your information is the APA issuance report and open inventory reports as of December 31, 2004. Please contact me at (202) 435-5222 if any additional information is required.

Respectfully submitted,

Matthew W. Frank
APA Program Director

Attachments

cc: LMSB Commissioner
Director, International
National Director of Appeals
LMSB Division Counsel

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1. This equals beginning Q1 inventory of 234 matters, plus 13 receipts, less 18 closures and 3 withdrawals $\{234 + 13 - 18 - 3 = 226\}$.
 2. The 226 open matters include 29 pending dollar filings (14 bilateral and 15 unilateral). Thus
 - The APA Program has an inventory of 197 active cases, i.e., 226 open matters less 29 pending dollar filings.
 - The 197 active cases consist of 149 bilateral cases (163 total bilateral matters less 14 pending bilateral dollar filings) and 48 unilateral cases (63 total unilateral matters less 15 pending unilateral dollar filings).
 - The APA Program has forwarded 72 of the 149 active bilateral matters to Competent Authority. Thus, the APA Program has a current working inventory of 125 cases, consisting of 77 bilateral (149 active bilateral cases less 72 forwarded to Competent Authority) and 48 active unilateral cases.